## Sisters of Charity Health System

St. Mary's Regional Medical Center • d'Youville Pavilion

September 25, 2007

SEP 26 2007 K-Suidenty Sciences

Phyllis Powell, CON Manager Division of Licensing and Regulatory Services 11 State House Station Augusta, Maine 04333

> Letter of Intent St. Mary's Regional Medical Center - Operating Room, Central Sterile, Lab and Pharmacy Expansion and Upgrade

Dear Ms. Powell:

St. Mary's Regional Medical Center ("SMRMC") submits this Letter of Intent for its proposed Operating Room, Central Sterile, Lab and Pharmacy expansion and upgrade. Consistent with the CON Procedures Manual, Chapter 6, Section (1)(B) we request a ruling from the Department regarding the applicability of this Certificate of Need program to this proposal. Based on the projected capital expenditure of \$16,000,000, we believe it will be subject to CON review and look forward to an early Technical Assistance Meeting in which we can learn more from you and your Staff on how you wish us to address the application.

This SMRMC project ("Project") will add approximately 12,520 square feet to our existing Operating Room, Central Sterile, Lab and Pharmacy at the Main Building of SMRMC on Campus Avenue in Lewiston. The Project will also include renovation of 24,451 square feet of existing space. The Project will address certain licensure, accreditation and related standards. It will also pay attention to criteria and recommendations set forth in the State Health Plan.

This expansion involves expansion and renovation of central sterile, the lab and pharmacy on the lower level of the medical center. This will then allow for expansion and renovation of the operating room on the level above. The 7 existing operating rooms will be expanded with a goal of at least 600 square feet per room. The following upgrades will also occur: preoperative and postoperative holding areas, HVAC, equipment storage areas, preadmission testing, and family waiting area. Existing issues with patient privacy and confidentiality will be addressed throughout this project.

The estimated capital expense for the Project (including projected financing costs) totals approximately \$16 million. We estimate the incremental third-year operating costs associated with the Project to be \$3,075,150.

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SMRMC anticipates filing its application in late December in order to be part of the January 1 review cycle. We seek guidance from the CONU on the applicable filing deadline.

Against this background, we request the opportunity to meet with you as soon as is practicable. We understand the CONU will be scheduling this meeting to take place within 30 days as required by Chapter 6, Section 2(2).

Should you have any questions in the meantime, do not hesitate to call me at 777-8807 or e-mail me at rdumont@sochs.com.

I will be contacting you shortly to discuss scheduling.

Sincerely,

René L. Dumont

VP Planning and Marketing

René L. Drimont

cc: John Geismar, Esq. John P. Doyle, Jr., Esq.